

CITY COUNCIL AGENDA ITEM COVER MEMO

Agenda Item Number _____

Meeting Type: Regular

Meeting Date: 7/24/2014

Action Requested By:
Finance

Agenda Item Type
Resolution

Subject Matter:

Debt-related Authorization

Exact Wording for the Agenda:

Resolution authorizing the Mayor to execute a Purchase Contract with the City's underwriters in connection with the sale of the General Obligation Refunding Warrants Series 2014-A, General Obligation Public Safety Facility Refunding Warrants Series 2014-B and General Obligation School Refunding Warrants Series 2014-C in an amount not exceed \$90 million, subject to ratification and approval by the City Council prior to issuance of the warrants. (Finance)

Note: If amendment, please state title and number of the original

Item to be considered for: Action

Unanimous Consent Required: No

Briefly state why the action is required; why it is recommended; what Council action will provide, allow and accomplish and; any other information that might be helpful.

Associated Cost:

Budgeted Item: Not applicable

MAYOR RECOMMENDS OR CONCURS: Yes

Department Head: _____

Date: 7/18/14

RESOLUTION NO. 14 - _____

BE IT RESOLVED by the City Council (herein called the "Council") of the **CITY OF HUNTSVILLE** (herein called the "City"), as follows:

Section 1. Findings. The Council has ascertained and does hereby find and declare as follows:

(a) the City has heretofore issued its General Obligation Refunding Warrants, Series 2005-A, dated February 1, 2005 (the "Series 2005-A Warrants"), (ii) General Obligation Capital Improvement Warrants, Series 2005-C, dated October 1, 2005 (the "Series 2005-C Warrants"), (iii) General Obligation Warrants, Series 2007-A, dated May 1, 2007 (the "Series 2007-A Warrants"), (iv) General Obligation Capital Improvement and Refunding Warrants, Series 2009-A, dated March 4, 2009 (the "Series 2009-A Warrants"); and General Obligation School Capital Improvement and Refunding Warrants, Series 2009-B (the "Series 2009-B Warrants"); and

(b) the City has heretofore entered into a Lease Agreement dated September 18, 2007 (the "PBA Lease"), between it and The Public Building Authority of the City of Huntsville (the "PBA") respecting the PBA's Municipal Justice and Public Safety Center Lease Revenue Capital Improvement and Refunding Bonds, Series 2007, which such bonds are secured by and payable solely from payments by the City under the PBA Lease; and

(c) it is necessary, desirable and in the public interest that the City provide funds to (i) refund and pay portions of the Series 2005-A Warrants, Series 2005-C Warrants, Series 2007-A Warrants, Series 2009-A Warrants, and Series 2009-B Warrants (collectively, the "Refunded Warrants") and (ii) prepay and retire a portion of the City's payment obligations under the PBA Lease (such prepaid PBA Lease obligations, together with the Refunded Warrants, the "Refunded Obligations"); and

(d) in order to provide the funds necessary to (i) redeem and retire the Refunded Obligations and pay the costs of issuing the Series 2014-A Warrants herein described, the City will be issuing its General Obligation Refunding Warrants, Series 2014-A (the "Series 2014-A Warrants"), General Obligation Public Safety

Facility Refunding Warrants, Series 2014-B, and General Obligation School Refunding Warrants, Series 2014-C (the "Series 2014-C Warrants" and, together with the Series 2014-A Warrants and the Series 2014-B Warrants, the "Series 2014 Warrants") aggregating not to exceed \$90,000,000 in principal amount; and

(e) it will be necessary for the City to enter into a purchase contract (the "Purchase Contract") with the underwriting syndicate of Raymond James & Associates, Inc., Morgan Stanley & Co. LLC, Joe Jolly & Co., Inc., and Securities Capital (collectively, the "Underwriters") prior to the date on which the issuance and delivery of the Series 2014 Warrants will be approved by the Council.

Section 2. Authorization to Execute Purchase Contract.

The Council does hereby authorize and direct the Mayor of the City to execute a Purchase Contract between the City and the Underwriters with respect to the sale and delivery by the City of the Warrants. The final form of the Purchase Contract shall be subject to ratification and approval by the Council following its execution by the Mayor at such time as the Council adopts an ordinance authorizing the issuance and delivery of the Warrants.

ADOPTED this the 24th day of July, 2014.

President of the City Council of
the City of Huntsville, Alabama

APPROVED this the 24th day of July, 2014.

Mayor of the City of Huntsville, Alabama